

**ALASKA STATE LEGISLATURE
SENATE EDUCATION STANDING COMMITTEE**

February 21, 2024

4:00 p.m.

MEMBERS PRESENT

Senator Löki Tobin, Chair
Senator Jesse Bjorkman
Senator Jesse Kiehl
Senator Elvi Gray-Jackson

MEMBERS ABSENT

Senator Gary Stevens, Vice Chair

COMMITTEE CALENDAR

PRESENTATION: LOCAL GOVERNMENT AND PUBLIC EDUCATION

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

NILS ANDEASSEN, Executive Director
Alaska Municipal League
Anchorage, Alaska

POSITION STATEMENT: Offered the presentation Local Government and Public Education.

ALVIN OSTERBACK, Mayor
Aleutians East Borough
Anchorage, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Aleutians East Borough.

BETH WELDON, Mayor
City and Borough of Juneau
Juneau, Alaska

POSITION STATEMENT: Presented information on the state of public education in the City and Borough of Juneau.

MARY SWAIN, Assembly Member
Bristol Bay Borough
Naknek, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Bristol Bay Borough.

CHRIS NOEL, Mayor
Denali Borough
Healy, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Denali Borough.

BRYCE WARD, Mayor
Fairbanks North Star Borough
Fairbanks, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Fairbanks North Star Borough.

BRENT JOHNSON, Assembly Member
Kenai Peninsula Borough
Soldotna, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Kenai Peninsula Borough.

RODNEY DIAL, Mayor
Ketchikan Gateway Borough
Ketchikan, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Ketchikan Gateway Borough.

SCOTT ARNDT, Mayor
Kodiak Island Borough
Kodiak, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Kodiak Island Borough.

FELIX RIVERA, Assembly Member
Municipality of Anchorage
Anchorage, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Municipality of Anchorage.

ANNA BRAWLEY, Assembly Member
Municipality of Anchorage
Anchorage, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Municipality of Anchorage.

NATHAN HADLEY, JR., Assembly President
Northwest Arctic Borough
Kotzebue, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Northwest Arctic Borough.

CRAIG MCCONNELL, Assembly Member
Northwest Arctic Borough
Kotzebue, Alaska

POSITION STATEMENT: Presented information on the state of public education in the Northwest Arctic Borough.

JOSH VERHAGEN, Mayor,
City of Nenana
Nenana, Alaska

POSITION STATEMENT: Presented information on the state of public education in the City of Nenana.

ACTION NARRATIVE

[4:00:11 PM](#)

CHAIR LÖKI TOBIN called the Senate Education Standing Committee meeting to order at 4:00 p.m. Present at the call to order were Senators Kiehl, Gray-Jackson, and Chair Tobin. Senator Bjorkman arrived thereafter.

PRESENTATION: LOCAL GOVERNMENT and PUBLIC EDUCATION

[4:01:03 PM](#)

CHAIR TOBIN announced the consideration of a presentation Local Government and Public Education by the Alaska Municipal League.

[4:02:19 PM](#)

NILS ANDEASSEN, Executive Director, Alaska Municipal League, Anchorage, Alaska, offered the presentation Local Government and Public Education. He moved to slide 2:

[Original punctuation provided.]

Public Education - Local Contributions

- \$530 million in local tax contributions
- Five local governments that contribute more than the State
- Local contributions of Under 5 percent - 3 MSD, 19 REAAs (14 less than 1 percent)

- 11 MSDs between 5 percent and 20 percent
- 10 MSDs between 20 percent and 35 percent
- 6 MSDs between 35 percent and 45 percent
- 4 MSDs from 50 percent to 63 percent
- REAAs \$80M in federal, compared to MSD of \$50M

MR. ANDERASSEN noted there are four local governments that contribute more than the state does to local school districts and more than 20 contribute more than 20 percent.

[4:03:32 PM](#)

MR. ANDREASSEN moved to slide 3 and said another facet of the intersection between local government and public education is related to school construction and major maintenance. It is a huge issue outside of the BSA. A report from the Department of Education and Early Development (DEED) identified that \$289 million is needed for school construction and major maintenance. There is \$603 million in priority projects in front of the legislature, which is historically funded at 15 percent. The current budget is funded less. Local governments made up the difference.

[Original punctuation provided.]

School Construction and Major Maintenance

- 76 percent of schools owned and managed by local governments
- FY23 - 14 districts didn't submit 6-year plans - 3 REAAs, 10 MSD
- FY 23 \$603 million = \$11,374.95 ADM
- Average \$165 million in following 5 years
- 13-year average of \$52M construction, and \$13M for maintenance
 - Of 37 construction projects, 12 districts, five municipal
 - 109 maintenance projects, 32 districts, 19 municipal
- State meeting 15 percent as a percentage of need annually
- 27 percent of all projects were REAA
- Due to repeated funding shortfalls, industry standards suggest an additional 1 percent of replacement value should be programmed for deferred maintenance. At \$9.7

billion, the annual amount for Alaska would be \$289 million.

[4:04:30 PM](#)

MR. ANDREASSEN moved to slide 4 and said the Alaska Municipal League (AML) adopted several resolutions related to public education and mentioned inflation proofing the BSA, school construction, and major maintenance:

[Original punctuation provided.]

Public Education

Resolution 2023-12

Increase and Inflation-Proof BSA

Requesting that the State increase and inflation-proof the BSA.

Resolution 2020-07

Fund School Bond Debt Reimbursement

Supporting full payment of currently obligated school bond debt reimbursement; a reinstatement of the school bond debt reimbursement program; and a careful and deliberate reform of State support of school construction and maintenance.

He spoke to inflation proofing BSA and fund school bond debt reimbursement.

MR. ANDREASSEN said because local contribution is tied to property assessment, which tracks similar to inflation, since 2017 the value of the local contribution has increased by 13 percent while the value of the state contribution has decreased by 1 percent.

[4:05:25 PM](#)

MR. ANDREASSEN moved to slide 5 and said fund balance is a principal of good governance that local governments and school districts have in common:

[Original punctuation provided.]

Fund Balance is an Important Tool

Cash flow

Offset revenue shortfalls and unexpected expenditures

Stabilize taxes and maintain services without budget cutbacks

Improve long-term planning initiatives

Enhance credit ratings

[4:06:42 PM](#)

MR. ANDREASSEN moved to slide 6 and discussed the following about unassigned fund balances:

[Original punctuation provided.]

Fund Balance Guidelines

GFOA recommends a minimum of two months of either operating expenditures or operating revenue (~16%). School districts are limited by state statute to 10% of the year's expenditures

Current Reporting

- Average unassigned fund balance as percentage of total expenditures is 3%.
- Only 25 districts have positive unassigned fund balances.
- Four have negative unassigned fund balances.
- The rest have zero unassigned.
 - Non-Spendable
 - Restricted
 - Committed
 - Assigned
 - Unassigned

MR. ANDREASSEN said negative unassigned fund balances means districts are trying to make up for the difference in some way.

[4:07:25 PM](#)

MR. ANDREASSEN moved to slide 7 and said the unassigned fund balance of 3 percent might not be true. A graph depicting the FY 24 statewide total fund balance shows the unassigned operating fund balance as \$183,358,857 and school district expenditures as \$2,197,760,620. He said because of how fund balance reporting occurs the 3 percent might not be true - it comes outside a fiscal year in the middle of one. It is a cash basis and a lot of what is reflected in the \$183 million is basically deferred revenue. The districts receive revenue in December from a municipality or other source and will use it to manage cash flow in coming months.

[4:08:16 PM](#)

SENATOR GRAY-JACKSON inquired about the GFOA's recommendation because she heard it had changed.

[4:09:02 PM](#)

MR. ANDREASSEN replied he would investigate and report his finding on best practice to the committee.

SENATOR GRAY JACKSON stated her belief that two months of recommended operating expenditures or operating revenue should continue. Independent auditors used to have a recommendation also.

[4:09:25 PM](#)

MR. ANDREASSEN moved to slide 8 and spoke about Alaska's school districts six points of consensus:

[Original punctuation provided.]

Working Toward Consensus:

1. A BSA increase of \$300 is insufficient. We encourage a significant investment by the state to bring education funding closer to par with expenses experienced by our districts.
2. An increase to the BSA this year should be accompanied by an inflation adjustment for future years.
3. The extent to which the State chooses to additionally fund teachers as part of a recruitment and retention initiative should be administered and budgeted for by the State, and separately and in addition to a BSA increase.
4. Additional funding for pupil transportation and special needs is critical to account for increasing costs in those areas that are outpacing other cost areas of inflation.
5. Decisions related to new or alternative public schools should be made at the local level, to ensure that the taxes raised in those communities to contribute to public education are appropriately represented.
 - Local government leaders expect to be part of a deliberative process that builds on the strengths of the current system without destabilization.
6. School construction and major maintenance continues to fall behind without sufficient State investment, with the State funding an average of only 15% of need. This

year's capital budget should address priorities identified by school districts and local governments.

[4:11:47 PM](#)

CHAIR TOBIN referred to slide 6 regarding fund balance guidelines and current reporting. She stated the committee had a presentation from DEED earlier in the week which appeared to present inaccurate information. She said she is glad the report was given to DEED so they can update the presentation.

[4:12:55 PM](#)

ALVIN OSTERBACK, Mayor, Aleutians East Borough, Anchorage, Alaska, presented borough school funding contributions and major maintenance information. He stated the minimum local contribution is \$644,987 and the maximum is \$1,830,150. The borough typically funds \$1,100,000 in local contributions. This year the school district is requesting approximately \$1.5 million because one school in the borough no longer meets the 10-student requirement so to remain open supplemental funding is needed. Also, like other areas of the state local costs are rising faster than anticipated. He said in 2023 the Aleutians East Borough (AEB) received \$2,900,000 in major maintenance funding and a DEED grant for Sandpoint school. Due to inflation the cost of the project increased to \$6,800,000. The borough submitted a supplemental funding request to DEED for the additional \$3.9 million and a Capital Project Submission and Information System (CAPSIS) request. School bond debt reimbursement is very important to AEB. Currently, the state's FY25 budget has 100 percent of the school bond debt reimbursement in it. The borough's FY25 reimbursement amount is \$702,907. He stated his belief that educating children is the most important contribution the state can make for its next generation of leaders. Ensuring that the BSA is set at a number that will provide adequate funding through the school districts should be a very high priority for Alaska. He opined that anything less than a BSA of \$680 would not provide adequate school funding.

[4:15:09 PM](#)

BETH WELDON, Mayor, City and Borough of Juneau, Juneau, Alaska, stated that she is also the president of the Alaska Municipal League. She said she provided members with a copy of a letter signed by school districts listing points of consensus. She mentioned that Juneau is the first district to end up with a deficit, but she expects other districts will soon follow. The Juneau School District (JSD) has a deficit of \$7.5 million for FY 24. She noted that the school district acknowledges its own

accounting errors, which resulted in the unexpected deficit, and does not blame the legislature. However, an increase in the BSA would have helped. She stated that the cost of providing quality education has outpaced state involvement. The BSA is a temporary fix until the governor and legislature can develop a plan for education reform. She opined that Alaska is not only harming its students but also sending a message that it is not open for business and is not family friendly. Families do not want to live in a state with a failing school system. She requested an increase in the BSA to fix funding and education reform so that schools can thrive. She also noted that an increase in pupil transportation funding is needed.

[4:17:36 PM](#)

MARY SWAIN, Assembly Member, Bristol Bay Borough, Naknek, Alaska, said the school district has three needs. The first is a bare minimum \$680 increase to the BSA. The second need is housing, driven by the expanding commercial salmon fishing industry. The third need concerns the Alaska Reads Act, which was implemented last year. While the borough has seen remarkable growth through its implementation, more funding is required. For student growth to continue, full funding is necessary. She stated that her borough was fortunate to have a major maintenance project funded, with the borough matching state funds by paying \$5 million for the project. She emphasized that municipalities support education funding and urged members to make major maintenance a top priority. She mentioned that her community prefers partnerships and does not agree with forced consolidation. She cited the growth of the career and technical education (CTE) program and the addition of a social-emotional coach for students as evidence that partnering with the community works and should be expanded.

[4:19:00 PM](#)

SENATOR BJORKMAN joined the meeting.

[4:22:23 PM](#)

CHRIS NOEL, Mayor, Denali Borough, Healy, Alaska, said that education is the most important service and the largest budget item for the Denali Borough. More than 50 percent of the annual budget is spent on education. The borough is one of five that consistently maximizes its local contribution. He stated that he is testifying to advocate for state support and shared responsibility in providing public education. He encouraged members to significantly increase the BSA and include a statute that would automatically adjust for inflation. Fixed costs have risen while the BSA has remained flat. Anything less than a

\$1,100 increase to the BSA, after the borough's unassigned fund balance is exhausted, would not allow the district to balance its budget, even with full support from the borough assembly. He also urged the appropriation of sufficient funds to the major maintenance grant program, as there are needs across the state. The small communities of Cantwell and Anderson have large school facilities but are nearing the 10-student requirement. The buildings need maintenance to remain safe learning environments.

[4:24:49 PM](#)

BRYCE WARD, Mayor, Fairbanks North Star Borough (FNSB), Fairbanks, Alaska, said the borough is looking at shutting down two more schools, having already closed three. A tax cap election is scheduled for May to increase the local contribution by \$10 million, raising it from \$50 million to \$60 million. The borough's contribution is capped at \$70 million. The school district has seen a drop in enrollment, and the lack of BSA adjustment has significantly impacted the district. The state has a required local contribution for education, and the community must fund at least that amount. This required amount is deducted from the basic need, which has had a significant impact due to flat and declining enrollment. While the borough has maintained flat funding at \$50 million, due to the adjustment in the required local contribution, the district, even with 2,000 fewer students than 10 years ago, should contribute \$12 million more than it did a decade ago. Not funding this additional \$12 million is an erosion of funding to district.

MR. WARD noted that Fairbanks has been successful in funding its capital projects and has established a new capital improvement program that has leveraged federal dollars. Despite this success, Fairbanks has received no state dollars since the program began five years ago. He discussed some of the improvements the borough has made, but deferred maintenance remains a major issue in Fairbanks and other districts. He expressed frustration with policies that allow correspondence programs to purchase buildings within FNSB tax exempt while the community is discussing increasing its education contribution and shutting down schools. He stated that practice erodes public brick-and-mortar schools, which have historically been funded through local communities. He concluded by stating that if Alaska wants a good education system, it must be willing to pay for it, adding, "There is no such thing as a free lunch."

[4:28:55 PM](#)

SENATOR BJORKMAN asked what the maximum amount the borough is allowed to contribute.

[4:29:18 PM](#)

MR. WARD replied that last year's funding was \$54 million and the maximum allowable is \$72 million.

[4:29:28 PM](#)

CHAIR TOBIN asked what the average class size is in the Fairbanks North Star Borough.

[4:29:45 PM](#)

MR. WARD replied the answer depends on whether it is an elementary, middle, or high school. With the FY25 budget the size of classes will increase by five students, except for elementary due to the hold harmless provision.

CHAIR TOBIN replied that is helpful to understand. She stated her belief that the National Education Association (NEA) recommends a ratio of 1:10 for first through sixth grade. An increase of 5 students is very aggressive.

[4:30:38 PM](#)

BRENT JOHNSON, Assembly Member, Kenai Peninsula Borough Assembly, Soldotna, Alaska said he supports the six points of consensus that were presented by AML. He shared his interest in wrestling and that Service High School in Anchorage won the regional championship for 12 - 15 years in a row. He opined that this was not luck but good coaching and development of a program where success bred success. He stated Alaska needs to do the same with its education system. He said providing an increase to the BSA and addressing the six points of consensus moves the state towards creating a good system. It doesn't guarantee success, but it enables success. Society can do things to make a teacher's job more friendly. If teachers have a job where they are happy and successful, then children will have success and the system will feed on itself.

[4:33:25 PM](#)

RODNEY DIAL, Mayor, Ketchikan Gateway Borough, Ketchikan, Alaska, said he had an idea to help stretch limited state education funds further. He noted that for years, the Ketchikan Gateway Borough's primary policy issue has been the disparity in the required local contribution, a state tax imposed only on organized boroughs and municipalities. The concern isn't that the borough pays the tax, but that many other areas do not, and it's not based on the ability to pay. He pointed out that areas

outside of Fairbanks, Palmer, and as far as Valdez pay nothing to support education. It's not just about what they could contribute in support of education, but also about the efficiencies that would result from mandatory borough formation. He used Prince of Wales Island as an example, noting that it has three school districts serving only a few thousand people, which he said wastes limited education dollars.

MR. DIAL explained that half the state, which remains unorganized, provides no local support for education because some communities, who could afford it, choose not to form boroughs in order to avoid paying education taxes. This makes the education funding pie smaller for everyone else. Unorganized areas experience inflation just like organized areas, but the difference is that they are shielded by the state, which essentially inflation-proofs their education needs each year. He urged the legislature to pursue borough formation and, in the meantime, requested that the state, at a minimum, provide the same inflation protection to organized boroughs as it does to unorganized ones.

[4:35:47 PM](#)

SCOTT ARNDT, Mayor, Kodiak Island Borough, Kodiak, Alaska, said that Kodiak was forced to form a borough that includes village schools, which do not receive enough funding, leaving the town to carry the costs on the local tax base. He thanked the committee members for their continued support of the School Bond Debt Reimbursement Program, which is crucial for Kodiak. He emphasized that the proposed \$680 increase to the BSA is desperately needed. He opined that the governor's proposed three-year teacher bonus experiment is not a solution to salary issues, as it does not guarantee long-term funding.

MR. ARNDT said continued maintenance is a persistent problem in Kodiak, and to cover revenue losses, some of the Coronavirus Aid, Relief, and Economic Security (CARES) Act funds were used. It costs roughly \$2.6-3.0 million to replace a school roof. He also noted that the guidelines for minor maintenance, which school districts are responsible for, and major maintenance, handled by boroughs, need updating. The threshold was last increased from \$15,000 to \$25,000 in 1999, and adjusting for inflation and the time it will take to implement, he suggested raising it to \$50,000.

MR. ARNDT pointed out that part of the funding allocated to school districts is meant for maintenance, but the state's failure to adequately address funding sources for schools

remains a significant issue. He urged the committee to secure as much funding as possible and thanked them for their efforts.

4:38:58 PM

SENATOR KIEHL said Kodiak Island Borough school district is unusual because it has mid-size community schools and several rural village schools. He said the bonus program issues incentives by district. He asked if the borough works to retain teachers in village schools in the same way it does for Kodiak proper.

MR. ARNDT replied yes, except that village schools receive housing assistance for teachers. Under the bonus program, each Kodiak teacher is to receive \$10,000. However, there are other school professionals that do not qualify for the program. There is inequity in the program, and it is a problem.

4:40:39 PM

FELIX RIVERA, Assembly Member, Municipality of Anchorage, Anchorage, Alaska, said there is widespread acceptance that Alaska's education system needs more funding. In January, the Anchorage Assembly passed a resolution supporting the Anchorage School District's request to increase the BSA by no less than \$1,413, bringing it to \$7,373, and to increase transportation funding by at least \$209 per student, raising it to \$690 per pupil for FY 25. The assembly became involved because underfunding schools hurts the entire community. Property taxes have risen without school bond debt reimbursement, and the decreased support for schools is driving young families to leave, which negatively impacts Anchorage's economy and residents' quality of life, exacerbating the workforce shortage. Anchorage wants to provide its students with opportunities to thrive in the school system, but the state's chronic underfunding of public education is stifling the opportunities that once made the system remarkable and offered families choices. He questioned how local communities can be expected to fill the gap for Alaska's constitutionally mandated responsibility to fund education. While local communities are willing partners, inflation and increased property assessments are putting significant pressure on local taxpayers.

MR. RIVERA acknowledged that committee members have worked diligently to improve education funding, but he is concerned that the state is squandering educational opportunities for both current and future generations. He implored legislators to address the funding issue to provide stability and relief for schools in Alaskan communities. He shared various facts

regarding the BSA, maintenance, and inflation, and warned that ASD may be forced to eliminate 450 educators and staff in May 2024 unless legislative action is taken by mid-February. He urged swift action.

[4:44:16 PM](#)

ANNA BRAWLEY, Assembly Member, Municipality of Anchorage, Anchorage, Alaska, said she agreed with the comments made by her colleagues across the state. She noted that two key concerns for both local and state governments are the economy and infrastructure. She shared how her family moved frequently and chose where to live based on the quality of public schools and affordable housing options. She opined that most families look for good infrastructure when deciding where to settle. She emphasized that public schools are a critical part of a community's infrastructure in Alaska, noting that the state competes with others for talent. Alaska needs to attract people to work on large infrastructure projects, and economy, infrastructure, and schools are interconnected. She urged the legislature to take action to ensure these systems work together effectively.

[4:46:58 PM](#)

SENATOR KIEHL asked how much Anchorage has invested in school major maintenance during the state's nine-year moratorium on participation, for which it has received no state reimbursement.

MS. BRAWLEY replied that Anchorage is a community that utilizes bonding. Unfortunately, the school bond has failed over the past couple of years, leading to a backlog of maintenance. The municipality regularly asks voters to help fund school maintenance. She stated that she would provide the committee with specific details on the local contribution.

[4:48:05 PM](#)

SENATOR KIEHL said he would appreciate having the dollar amounts, as the state's moratorium has put communities in a difficult position. He expressed his appreciation for the effort municipalities are making in the absence of state action.

[4:48:44 PM](#)

SENATOR GRAY-JACKSON said maintaining a healthy fund balance is valuable to obtaining a favorable bond rating. She inquired whether a 2011 assembly resolution regarding fund balance maintenance was still in effect.

MR. RIVERA replied yes, the resolution was still in effect.

4:49:21 PM

SENATOR GRAY-JACKSON asked whether an independent auditor still recommends the amount to hold in reserve.

MR. RIVERA replied yes. The recommended fund balance is approximately 12 percent.

4:50:21 PM

NATHAN HADLEY, JR., Assembly President, Northwest Arctic Borough, Kotzebue, Alaska, said he grew up in a village without running water or sewer. As a student living in Buckland, he joined all sports because he wanted to shower at the school. Building maintenance is important for villages. He said he supports AML's presentation.

4:51:17 PM

CRAIG MCCONNELL, Assembly Member, Northwest Arctic Borough, Kotzebue, Alaska, Mr. M said he is a former teacher who worked for the district for 35 years, with 24 years as the facilities director. He testified that resources were not wasted. In terms of maintenance operations, the Northwest Arctic Borough School District was one of the few to operate below the 30 percent maintenance threshold, with one year operating at just 18 percent of the budget. However, inflation has made it increasingly difficult to operate. The governor's proposed increase would provide \$612,000 for the district, which serves 1,800 students. Fuel costs have risen by \$2 per gallon, and the borough burns 600,000 gallons of fuel per year, leading to a \$1.2 million increase in fuel costs alone. The governor's proposed increase would not even cover the increased fuel costs, let alone other rising costs for electricity, water, sewer, garbage, insurance, maintenance, salary increases, and housing.

MR. MCCONNELL pointed to the committee room's vents and explained that they supply and return fresh air. An engineer would typically recommend 50 percent fresh air, but due to the cost of heating the fresh air, it has been reduced to just 5 percent to save on fuel. He opined that the borough would go bankrupt if it complied with everything the state and federal governments required. He emphasized that he never cuts areas concerning safety.

MR. MCCONNELL described a specific issue where a 30-year-old fire alarm system in one school is no longer compatible with the community's power source. The borough does not have \$700,000 to replace the fire system. The school has a hired watchperson

monitor for fires. The watchperson stays up through the night when visiting teams sleep at the school. He said the district is in a difficult situation and desperately needs funding; a \$340 increase is insufficient; \$1,400 is needed.

[4:55:49 PM](#)

JOSH VERHAGEN, Mayor, City of Nenana, Nenana, Alaska, said that Nenana is a home rule city and is not part of an organized borough. It operates its own city school district, which includes a K-12 school. Additionally, the Nenana Student Living Center, which has operated for 22 years, houses approximately 110 students from rural Alaska, 96 percent of whom are Native. The graduation rate at the center is 94 percent. The CyberLynx correspondence program, also based in Nenana, serves over 1,000 students.

MR. VERHAGEN expressed pride in Nenana's school system and gratitude for the funding it receives. He reiterated that the Alaska Constitution states, "the legislature shall by general law establish and maintain a system of public schools open to all children of the state," noting that it does not mention municipalities. He urged the legislature to make what it is obligated to fund a priority. Nenana has invested significantly in its school system and has worked diligently to be as self-sufficient as possible. The average cost per student per semester is \$7,800. To balance the budget this year, he requested a minimum BSA increase of \$600 and acknowledged that other schools may require more.

MR. ANDREASSEN said the testimony provided highlights the need for collaboration and a solution to fix funding across the state. He emphasized that partnership and collaboration will depend on the state fulfilling its constitutional obligation to fund public education, while also ensuring local collaboration and maintaining as much local control and decision-making as possible.

[4:59:54 PM](#)

SENATOR BJORKMAN said he wanted to thank Educators Rising for attending the hearing. The students have identified themselves as wanting to be educators. He noted that advocating for things that they believe in is an important part of teaching. Testifiers and legislators have indicated that they have had a valuable education. He mentioned having a great experience with one of the assembly members that testified. He said he would like to see investment in Alaska's schools.

[5:01:42 PM](#)

CHAIR TOBIN said she finds it exciting that one of the students wants to be a counselor.

5:02:24 PM

There being no further business to come before the committee, Chair Tobin adjourned the Senate Education Standing Committee meeting at 5:02 p.m.